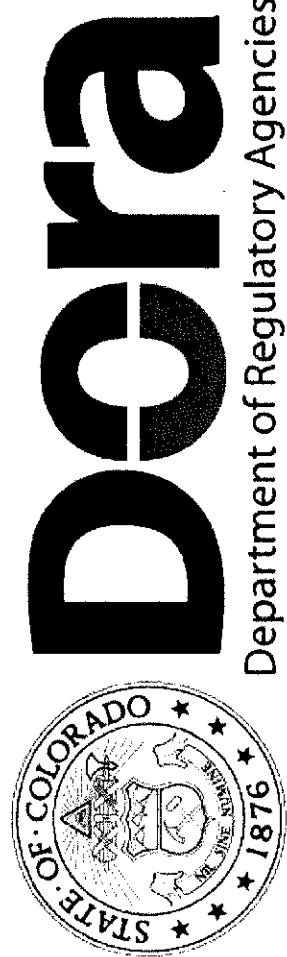


# Colorado PUC: An Overview

Doug Dean, Director



Department of Regulatory Agencies  
**Public Utilities Commission**

## Value to the State

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- ♦ PUC is 100% Cash Funded
  - Fixed utility fund
  - Transportation fund
- ♦ PUC saves Colorado consumers over \$8.00 for every \$1.00 spent to run the agency

# History

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- ◆ Railway Commission established in 1885
- ◆ Public Utilities Act passed in 1913
  - Granted authority over all utilities
  - Foundation of PUC statutes today
  - Created “Public Utilities Commission”
- ◆ PUC added to Constitution – 1954
- ◆ PUC type 1 transfer to DORA - 1969

# Commissioners

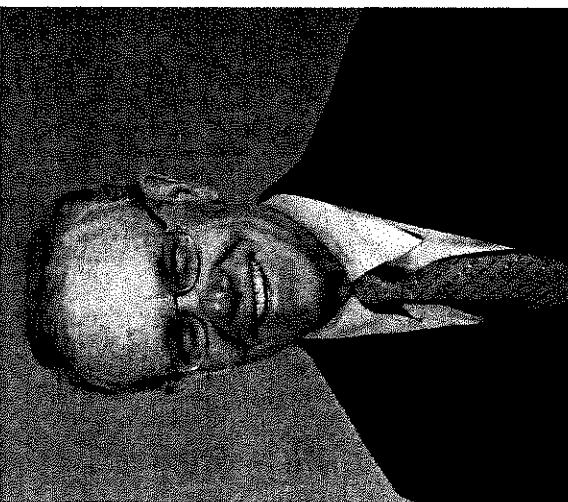
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- ◆ Three commissioners
- ◆ Appointed by the Governor
- ◆ Confirmed by majority vote of State Senate
- ◆ Serve four-year terms – may be reappointed
- ◆ No more than two commissioners from one political party
- ◆ One commissioner appointed Chairman

# Commissioners



Joshua Epel (D)  
Chairman  
2011 - 2015



Jim Tarpey (R)  
2008 - 2017



Pam Patton (D)  
2012 - 2016

# Our Mission

*The Colorado Public Utilities Commission  
serves the public interest by effectively  
regulating utilities and facilities so that the  
people of Colorado receive safe, reliable,  
and reasonably-priced services consistent  
with the economic, environmental and  
social values of our state.*

# Director

- ◆ Appointed by Executive Director of DORA with approval of Commissioners
- ◆ Responsibilities:
  - Manage operations of the PUC to carry out public utilities law pursuant to C.R.S. 40-2-103
  - Implement Commission policies, procedures and decisions
  - Direct administrative functions and manage staff

# Commission Responsibilities

- ◆ Quasi-Legislative – Creates rules
- ◆ Quasi-Judicial – Ensures due process for all parties
- ◆ In general, the PUC serves the public interest by balancing needs of consumers and utility service providers

# Five Areas of Responsibility – Utilities

- ◆ Operating Authority – Determine benefit to consumers in granting right to do business
- ◆ Rates – Maintain just and reasonable utility rates for consumers
- ◆ Service – Ensure consumers have reliable and responsive utility service
- ◆ Safety – Minimize dangers for consumers related to regulated utility service
- ◆ Infrastructure – Ensure a constructive regulatory environment to recover capital

# Responsibility for Non-Utility Motor Carriers

- ◆ Minimum safety standards for the benefit of providers, consumers, and the public
- ◆ Minimum financial responsibility
- ◆ Service quality standards
- ◆ Determine rates collected by towing carriers for towing and storage of motor vehicles in absence of owner consent.

## PUC Structure

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The PUC is comprised of 95 FTE and is organized in 11 sections, each led by a section chief.

## External Affairs

- ♦ Responds to consumer complaints and questions
  - Secured \$279,059.20 in refunds for consumers in FYE 2012
- ♦ Media inquiries and informational materials
  - Publishes Consumer FYI pamphlets to assist consumers in understanding utilities and regulation

# Policy Advisors

- ◆ Advise the Commissioners and Administrative Law Judges on energy, water, and telecommunications matters
- ◆ Within the context of case records, provide expertise in financial analysis, economics, policy, and engineering
- ◆ Organize and manage proceedings on contested matters
- ◆ Facilitate Commissioners' open decisions meetings
- ◆ Craft written decisions after Commissioners' deliberations

# Regulatory & Legal Affairs and Administrative Support

- ◆ Regulatory and Legal Affairs
  - Ensures that appropriate processes and procedures are followed by staff and Commissioners
  - Works with Attorney General's Office to ensure legal services dollars are maximized to greatest benefit of consumers
  - Oversees Commission Rulemaking process

## Regulatory & Legal Affairs and Administrative Support (cont.)

- ◆ Administrative Support
  - Process all filings and decisions for all regulated industries
  - Administer all Commission agendas and minutes
  - Process all transportation stamps, fingerprints, and over-the-counter permits
  - Administer the Commission's electronic filing system

# Research and Emerging Issues

- ♦ Researches topics likely to impact utility regulation in the near future
  - Rate design/cost recovery and utility business models
  - Electric market structures – wholesale and retail
- ♦ Assists the Commission to anticipate the future and adjust regulatory practices accordingly
  - Scenario planning/development
- ♦ Administers special projects and rulemaking
  - ARRA Management
  - Rules on medical exemption from tiered rates

# Energy

- ♦ Staff expertise in electric, natural gas, steam and water facility design, engineering, procurement, construction and operation.
- ♦ Responsibilities include review of investor-owned utility acquisitions, operations and reliability filings.
- ♦ Appears as a party in litigated energy cases and advises Commissioners in uncontested matters.
- ♦ Limited oversight of electric cooperative RES compliance.

# Economics

- ♦ Economists and Financial Analysts function as litigants before the Commission, recommending just and reasonable rates, while balancing consumer rates with the financial health of the utility
- ♦ Conducts thorough audits of the natural gas, electric, steam and water investor-owned utilities
- ♦ Negotiates settlements with utilities which avoids costly litigation
- ♦ Provides expertise to other sections within the PUC performing economic analysis and investigating customer billing complaints

# Telecommunications

- ◆ Expertise in financial analysis, economics, planning and engineering
- ◆ Regulates telecommunications companies & 911 network providers for rates and service quality
  - Serve as advisors to commissioners on all non-litigated matters
  - Appears as a party in most litigated cases
  - Negotiates settlements with utilities
- ◆ Administers subsidy programs for rural high cost support & low income consumers
- ◆ Does not regulate generally information, wireless, or cable services

# Transportation and Administration

- ◆ Transportation
  - Includes taxis, limos, shuttles, towing companies, household goods movers, and hazardous materials carriers
  - Jurisdiction limited to intrastate carriers
- ◆ Administration
  - Responsible for budget, purchasing, records, computer network, facilities and personnel
  - Oversees Colorado Relay Program for the deaf and hard of hearing
  - Oversees Colorado No-Call

# Administrative Hearings

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- ◆ Administrative Law Judges who:
  - Conduct Hearings in contested cases
  - Make Recommended Decisions
  - Assist in rulemaking functions
- ◆ Court Reporters who:
  - Record testimony during all Commission hearings and transcribes them as needed

# Gas Pipeline Safety

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- ◆ Safety jurisdiction over 34,633 miles of main and natural gas transmission pipelines
- ◆ Includes 1,517,544 gas service lines
- ◆ Investigates incidents
- ◆ Fining authority for safety violations

# Rail/Transit Safety Section

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- ◆ Safety oversight of railroad and light rail crossings
- ◆ Safety oversight of rail fixed guideway systems  
(e.g., RTD Light Rail)
- ◆ Establish certain railroad clearance safety standards and railroad peace officer minimum standards
- ◆ Does not regulate general safety or rates of railroads

# Recent Major Cases

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- ◆ 2008 – 2011 – Taxi Applications
- ◆ 2008– present – Xcel rate cases (including multi-year plan)
- ◆ 2009 – 2010 – Qwest rate case
- ◆ 2010 – Clean Air, Clean Jobs Act
- ◆ 2010 – CenturyTel/Qwest acquisition
- ◆ 2011-2012 Xcel/Black Hills CACJA Implementation
- ◆ 2011 – Black Hills rate case
- ◆ 2012 – Telecom Reform Docket
- ◆ 2012 – Xcel Electric Resource Plan

# Recent Major Rulemakings

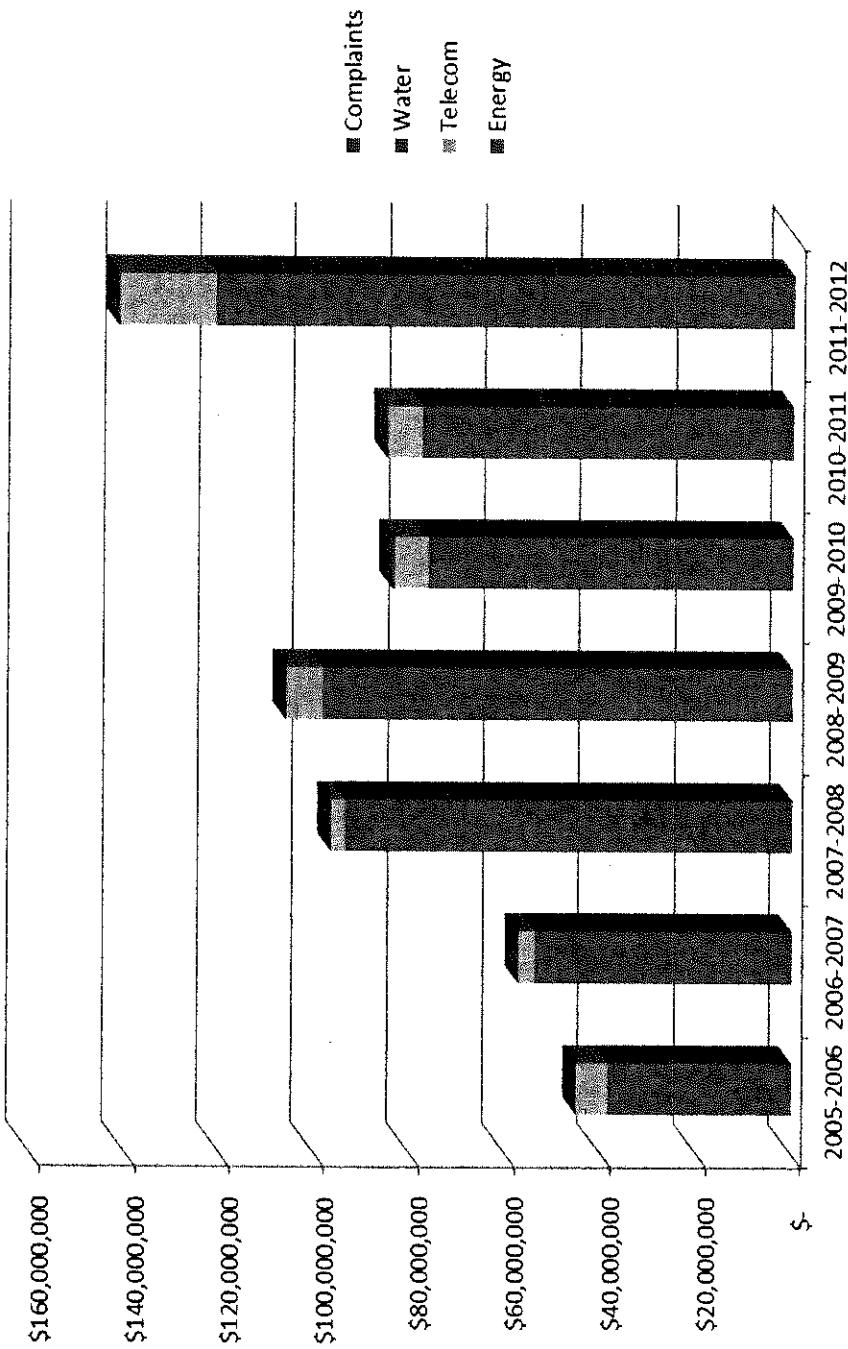
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- ♦ Telecom Reform Phase I
- ♦ Energy rates for low income Coloradans
- ♦ HB 10-1342 Community Solar Gardens
- ♦ HB 11-1198 Transportation rules
- ♦ SB 11-087 Medical exemption from tiered electricity rates
- ♦ Resource Planning Transparency
- ♦ Practice and Procedure

# Challenges

- ♦ Number of parties in PUC cases has dramatically increased in recent years
- ♦ 2012 workload statistics:
  - E-filings accepted 11,028 filings consisting of 16,240 documents
  - Issued 1,482 decisions
  - Opened 1,303 dockets
  - Processed 603 tariff filings

# Rate Case Annual Customer Savings



# Questions?

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[www.dora.colorado.gov/puc](http://www.dora.colorado.gov/puc)